



Reprinted
February 26, 2016

ENGROSSED HOUSE BILL No. 1264

DIGEST OF HB 1264 (Updated February 25, 2016 2:55 pm - DI 104)

Citations Affected: IC 16-31; IC 34-6; IC 34-30.

Synopsis: Provider organizations, audits, and peer review. Requires a provider organization to conduct audits at least quarterly to assess, monitor, and evaluate the quality of patient care. Sets forth requirements of the audits and specifies that the audits are confidential. Adds the following to the definition of "professional health care provider" for purposes of inclusion in the peer review committee statute: (1) a provider organization; (2) an emergency medical technician; (3) an emergency medical responder; and (4) an advanced emergency medical technician.

Effective: July 1, 2016.

Kirchhofer, Forestal, Ellington, Frye R

(SENATE SPONSORS — MILLER PATRICIA, CRIDER)

January 11, 2016, read first time and referred to Committee on Public Health.

January 21, 2016, reported — Do Pass.

January 25, 2016, read second time, ordered engrossed.

January 26, 2016, engrossed. Read third time, passed. Yeas 94, nays 0.

SENATE ACTION

February 8, 2016, read first time and referred to Committee on Health & Provider Services.

February 18, 2016, amended, reported favorably — Do Pass.

February 25, 2016, read second time, amended, ordered engrossed.

EH 1264—LS 6724/DI 77



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1264

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 16-31-3-26 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2016]: **Sec. 26. (a) Each provider organization shall conduct an**
4 **audit and review at least quarterly to assess, monitor, and evaluate**
5 **the quality of patient care as follows:**

6 (1) **The audit must evaluate patient care and personnel**
7 **performance.**

8 (2) **The results of the audit must be reviewed with the**
9 **emergency medical service personnel.**

10 (3) **Documentation for the audit and review must include the**
11 **following:**

12 (A) **The criteria used to select audited runs.**

13 (B) **Problem identification and resolution.**

14 (C) **Date of review.**

15 (D) **Attendance at the review.**

16 (E) **A summary of the discussion at the review.**

17 (4) **The audit and review must be conducted under the**

EH 1264—LS 6724/DI 77



direction of one (1) of the following:

(A) The provider organization medical director.

(B) An emergency department committee that is supervised by a medical director with a provider organization representative serving as a member of the committee.

(C) A committee established by the provider organization and under the direction of the medical director or medical director's designee. If the medical director selects a designee, the designee must:

(i) be a physician licensed under IC 25-22.5;

(ii) have an active role in the delivery of emergency care; and

(iii) be designated in writing by the medical director as the medical director's designee.

(5) The audit must provide a method for identifying the need for staff development programs, basic training, in-service training, and orientation.

(6) The audit must evaluate all levels of care by emergency medical service personnel.

(b) An audit and review proceeding under this section is confidential, and any communication at the audit and review proceeding is a privileged communication.

(c) This section does not prevent participation by a provider organization in a peer review committee proceeding under IC 34-30-15.

(d) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 2. IC 34-6-2-117, AS AMENDED BY P.L.29-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 117. "Professional health care provider", for purposes of IC 34-30-15, means:

(1) a physician licensed under IC 25-22.5;

(2) a dentist licensed under IC 25-14;

(3) a hospital licensed under IC 16-21;

(4) a podiatrist licensed under IC 25-29;

(5) a chiropractor licensed under IC 25-10;

(6) an optometrist licensed under IC 25-24;

(7) a psychologist licensed under IC 25-33;

(8) a pharmacist licensed under IC 25-26;

(9) a health facility licensed under IC 16-28-2;

(10) a registered or licensed practical nurse licensed under



- 1 IC 25-23;
- 2 (11) a physical therapist licensed under IC 25-27;
- 3 (12) a home health agency licensed under IC 16-27-1;
- 4 (13) a community mental health center (as defined in
- 5 IC 12-7-2-38);
- 6 (14) a health care organization whose members, shareholders,
- 7 subsidiaries, affiliates, or partners are:
- 8 (A) professional health care providers described in
- 9 subdivisions (1) through (13);
- 10 (B) professional corporations comprised of health care
- 11 professionals (as defined in IC 23-1.5-1-8); or
- 12 (C) professional health care providers described in
- 13 subdivisions (1) through (13) and professional corporations
- 14 comprised of persons described in subdivisions (1) through
- 15 (13);
- 16 (15) a private psychiatric hospital licensed under IC 12-25;
- 17 (16) a preferred provider organization (including a preferred
- 18 provider arrangement or reimbursement agreement under
- 19 IC 27-8-11);
- 20 (17) a health maintenance organization (as defined in
- 21 IC 27-13-1-19) or a limited service health maintenance
- 22 organization (as defined in IC 27-13-34-4);
- 23 (18) a respiratory care practitioner licensed under IC 25-34.5;
- 24 (19) an occupational therapist licensed under IC 25-23.5;
- 25 (20) a state institution (as defined in IC 12-7-2-184);
- 26 (21) a clinical social worker who is licensed under
- 27 IC 25-23.6-5-2;
- 28 (22) a managed care provider (as defined in IC 12-7-2-127(b));
- 29 (23) a nonprofit health care organization affiliated with a hospital
- 30 that is owned or operated by a religious order, whose members are
- 31 members of that religious order;
- 32 (24) a nonprofit health care organization with one (1) or more
- 33 hospital affiliates; or
- 34 (25) a health care organization that owns or controls, in whole or
- 35 in part, one (1) or more entities described in subdivisions (1)
- 36 through (24);
- 37 **(26) A provider organization (as defined in IC 16-18-2-296);**
- 38 **(27) a paramedic licensed under IC 16-31;**
- 39 **(28) an emergency medical technician certified under**
- 40 **IC 16-31;**
- 41 **(29) an emergency medical responder certified under**
- 42 **IC 16-31; or**



(30) an advanced emergency medical technician certified under IC 16-31.

SECTION 3. IC 34-30-15-8, AS AMENDED BY P.L.204-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) Communications to, the records of, and determinations of a peer review committee may only be disclosed to:

(1) the peer review committee of:

(A) a hospital;

(B) a nonprofit health care organization (described in IC 34-6-2-117(23));

(C) a preferred provider organization (including a preferred provider arrangement or reimbursement agreement under IC 27-8-11);

(D) a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-34-4);

(E) a provider organization (as defined in IC 16-18-2-296) that is not owned by a hospital that includes the provider organization's provision of services as part of the hospital's peer review committee review;

~~(F)~~ (F) another health facility; or

~~(F)~~ **(G)** a medical school located in Indiana of which the professional health care provider who is the subject of the peer review is a faculty member;

(2) the disciplinary authority of the professional organization of which the professional health care provider under question is a member; or

(3) the appropriate state board of registration and licensure that the committee considers necessary for recommended disciplinary action;

and shall otherwise be kept confidential for use only within the scope of the committee's work, unless the professional health care provider has filed a prior written waiver of confidentiality with the peer review committee.

(b) However, if a conflict exists between this section and IC 27-13-31, the provisions of IC 27-13-31 control.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1264, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1264 as introduced.)

KIRCHHOFFER

Committee Vote: Yeas 11, Nays 0

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1264, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert: "SECTION 1. IC 34-6-2-117, AS AMENDED BY P.L.29-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 117. "Professional health care provider", for purposes of IC 34-30-15, means:

- (1) a physician licensed under IC 25-22.5;
- (2) a dentist licensed under IC 25-14;
- (3) a hospital licensed under IC 16-21;
- (4) a podiatrist licensed under IC 25-29;
- (5) a chiropractor licensed under IC 25-10;
- (6) an optometrist licensed under IC 25-24;
- (7) a psychologist licensed under IC 25-33;
- (8) a pharmacist licensed under IC 25-26;
- (9) a health facility licensed under IC 16-28-2;
- (10) a registered or licensed practical nurse licensed under IC 25-23;
- (11) a physical therapist licensed under IC 25-27;
- (12) a home health agency licensed under IC 16-27-1;
- (13) a community mental health center (as defined in IC 12-7-2-38);
- (14) a health care organization whose members, shareholders, subsidiaries, affiliates, or partners are:
 - (A) professional health care providers described in



subdivisions (1) through (13);

(B) professional corporations comprised of health care professionals (as defined in IC 23-1.5-1-8); or

(C) professional health care providers described in subdivisions (1) through (13) and professional corporations comprised of persons described in subdivisions (1) through (13);

(15) a private psychiatric hospital licensed under IC 12-25;

(16) a preferred provider organization (including a preferred provider arrangement or reimbursement agreement under IC 27-8-11);

(17) a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-34-4);

(18) a respiratory care practitioner licensed under IC 25-34.5;

(19) an occupational therapist licensed under IC 25-23.5;

(20) a state institution (as defined in IC 12-7-2-184);

(21) a clinical social worker who is licensed under IC 25-23.6-5-2;

(22) a managed care provider (as defined in IC 12-7-2-127(b));

(23) a nonprofit health care organization affiliated with a hospital that is owned or operated by a religious order, whose members are members of that religious order;

(24) a nonprofit health care organization with one (1) or more hospital affiliates; or

(25) a health care organization that owns or controls, in whole or in part, one (1) or more entities described in subdivisions (1) through (24).

(26) A provider organization (as defined in IC 16-18-2-296).

SECTION 2. IC 34-30-15-8, AS AMENDED BY P.L.204-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) Communications to, the records of, and determinations of a peer review committee may only be disclosed to:

(1) the peer review committee of:

(A) a hospital;

(B) a nonprofit health care organization (described in IC 34-6-2-117(23));

(C) a preferred provider organization (including a preferred provider arrangement or reimbursement agreement under IC 27-8-11);

(D) a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance



organization (as defined in IC 27-13-34-4);

(E) a provider organization (as defined in IC 16-18-2-296) that is not owned by a hospital that includes the provider's organization's provision of services as part of the hospital's peer review committee review;

~~(E)~~ **(F)** another health facility; or

~~(F)~~ **(G)** a medical school located in Indiana of which the professional health care provider who is the subject of the peer review is a faculty member;

(2) the disciplinary authority of the professional organization of which the professional health care provider under question is a member; or

(3) the appropriate state board of registration and licensure that the committee considers necessary for recommended disciplinary action;

and shall otherwise be kept confidential for use only within the scope of the committee's work, unless the professional health care provider has filed a prior written waiver of confidentiality with the peer review committee.

(b) However, if a conflict exists between this section and IC 27-13-31, the provisions of IC 27-13-31 control."

Delete page 2.

and when so amended that said bill do pass.

(Reference is to HB 1264 as printed January 22, 2016.)

MILLER PATRICIA, Chairperson

Committee Vote: Yeas 10, Nays 0.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1264 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 16-31-3-26 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 26. (a) Each provider organization shall conduct an audit and review at least quarterly to assess, monitor, and evaluate the quality of patient care as follows:**

(1) The audit must evaluate patient care and personnel

EH 1264—LS 6724/DI 77



performance.

(2) The results of the audit must be reviewed with the emergency medical service personnel.

(3) Documentation for the audit and review must include the following:

(A) The criteria used to select audited runs.

(B) Problem identification and resolution.

(C) Date of review.

(D) Attendance at the review.

(E) A summary of the discussion at the review.

(4) The audit and review must be conducted under the direction of one (1) of the following:

(A) The provider organization medical director.

(B) An emergency department committee that is supervised by a medical director with a provider organization representative serving as a member of the committee.

(C) A committee established by the provider organization and under the direction of the medical director or medical director's designee. If the medical director selects a designee, the designee must:

(i) be a physician licensed under IC 25-22.5;

(ii) have an active role in the delivery of emergency care; and

(iii) be designated in writing by the medical director as the medical director's designee.

(5) The audit must provide a method for identifying the need for staff development programs, basic training, in-service training, and orientation.

(6) The audit must evaluate all levels of care by emergency medical service personnel.

(b) An audit and review proceeding under this section is confidential, and any communication at the audit and review proceeding is a privileged communication.

(c) This section does not prevent participation by a provider organization in a peer review committee proceeding under IC 34-30-15.

(d) The commission may adopt rules under IC 4-22-2 to implement this section."

Page 2, line 30, strike "or".

Page 2, line 33, delete "." and insert ";".

Page 2, line 34, delete "." and insert ";".



Page 2, between lines 34 and 35, begin a new line block indented and insert:

**"(27) a paramedic licensed under IC 16-31;
(28) an emergency medical technician certified under IC 16-31;
(29) an emergency medical responder certified under IC 16-31; or
(30) an advanced emergency medical technician certified under IC 16-31."**

Page 3, line 8, delete "provider's" and insert "**provider**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1264 as printed February 19, 2016.)

MILLER PATRICIA

